

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Richard P. Krasnow

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

| | |
|---|---------------------------------|
| -----X | |
| | : |
| In re | : Chapter 11 Case No. |
| | : |
| LEHMAN BROTHERS HOLDINGS INC., et al., | : 08-13555 (JMP) |
| | : |
| Debtors. | : (Jointly Administered) |
| | : |
| -----X | |

**NOTICE OF FILING OF COMPENSATION NOTICE
OF CB RICHARD ELLIS, INC. FOR COMPENSATION OF
PROFESSIONAL SERVICES RENDERED AND REIMBURSEMENT
OF ACTUAL AND NECESSARY EXPENSES INCURRED**

PLEASE TAKE NOTICE that pursuant to the Order Expanding the Scope of Retention of CB Richard Ellis, Inc. ("CBRE") as the Debtors' Real Estate Consultant, Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure, Effective as of June 8, 2011 (the "CBRE Order") [ECF No. 19070], entered by the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") on August 8, 2011, in the above captioned chapter 11 cases of Lehman Brothers Holdings Inc. and its affiliated debtors as debtors in possession (collectively, the "Debtors"), CBRE is required to file with the Bankruptcy Court and serve upon all parties entitled to receive notice in these chapter 11 cases a compensation notice after consummation of the "Appraisal Services" setting forth the compensation to be paid and reimbursement of reasonable expenses to CBRE with respect thereto (the "Compensation Notice"). The Compensation Notice is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that pursuant to the CBRE Order, objections, if any, to the fees and/or expenses described in the Compensation Notice shall be filed within 10 days of the filing of this Compensation Notice, and shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court for the Southern District of New York, shall set forth the name of the objecting party, the basis for the objection and the specific grounds thereof, shall be filed with the Bankruptcy Court electronically in accordance with General Order M-242 (which can be found at

www.nysb.uscourts.gov) by registered users of the Bankruptcy Court's case filing system and by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with two hard copies delivered directly to Chambers), and shall be served upon: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004, Courtroom 601; (ii) Weil Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Richard P. Krasnow, Esq., attorneys for the Debtors; (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York, 10004, Attn: Tracy Hope Davis, Esq., Elisabetta G. Gasparini, Esq., and Andrea B. Schwartz, Esq.; (iv) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005, Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq., attorneys for the Official Committee of Unsecured Creditors appointed in these cases; and (v) CB Richard Ellis, Inc., 200 Park Avenue, New York, NY 10166, Attn: Linda E. Lindman, Esq., so as to be so filed and received by no later than **December 5, 2011**.

PLEASE TAKE FURTHER NOTICE that if a timely objection is filed, the Debtors or CBRE will schedule a hearing with the Bankruptcy Court with respect to the specific fees and/or expenses that are the subject of such objection.

Dated: November 23, 2011
New York, New York

/s/ Richard P. Krasnow
Richard P. Krasnow
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors
and Debtors in Possession

EXHIBIT A

Compensation Notice

COMMERCIAL REAL ESTATE SERVICES

CBRE

Susan J. Bellion
Senior Contract Administrator

CBRE, Inc.
Legal Department

CBRE, Inc.
200 Park Avenue
New York, NY 10166

212 984 8204 Tel
212 984 8020 Fax

Susan.Bellion@cbre.com
www.cbre.com

November 21, 2011

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

Attn: Ms. Candace M. Arthur, Associate

Re: Lehman Brothers Holdings Inc.

Dear Candace:

In accordance with the Order Expanding the Scope of Retention of CB Richard Ellis, Inc., as the Debtors' Real Estate Consultant Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Rule 2014 of the Federal Rule of Bankruptcy Procedure annexed herewith is the Invoice #41900-TX110042, dated October 31, 2011 for Summary Appraisal Report. Attached please also find a summary of hours, rates and expense reimbursement by professional.

Should you have any questions regarding the attached, please do not hesitate to contact me at the above address.

Very Truly Yours,

CBRE, Inc.

By: Susan J. Bellion
Name:
Title:

Susan J. Bellion
An Authorized Signatory



Remittance

October 31, 2011

Ashvin Rao, Esq.
Vice President
Lehman Commercial Paper Inc. – NY
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice # 41900-TX110041

Invoice for Summary Appraisal Report

| | | |
|-----------------------|-------------------------------|----------------------------------|
| Appraisals | Professional Fee Expenses* | \$273,500.00 \$ 7,469.18 |
| Mediation | Professional Fee Expenses | \$50,665.00 <u>\$5,292.19</u> |
| Total Balance Due Now | | \$336,926.37 |

* Includes trip expenses to Cabo San Lucas and Costa Rica, lunch with Danske representatives, and trip expenses to New York for Kyle Redfearn and Paul Tibbit to meet with Lehman representatives.

Mediation Time and Expenses Summary:

| <u>Fees</u> | <u>Hourly Rate</u> | <u>Hours</u> | <u>Total Fees (Time)</u> | <u>Expenses</u> | <u>Total</u> |
|-----------------------|------------------------|--------------|------------------------------|-------------------|--------------------|
| KDR - Kyle Redfearn | \$450 | 52.6 | \$23,670 | \$ 2,667.58 | \$26,337.58 |
| ERE - Edward Eschmann | \$450 | 30.2 | \$13,590 | | \$13,590.00 |
| PHT - Paul Tibbit | \$350 | 34.6 | \$12,110 | \$ 2,624.61 | \$14,734.61 |
| PKC - Pedro Chin | \$350 | 3.7 | \$1,295 | | \$1,295.00 |
| Total | | | \$50,665 | \$5,292.19 | \$55,957.19 |

Please make your check payable to: (or see wiring instructions on a following page)

CBRE
ATTN: Megan Martin
2100 McKinney Ave, Suite 700
Dallas, TX 75201
214-979-5682
Federal Tax ID# 95-2743174

And return with one copy of this invoice to the above address.
For questions call:
Kyle Redfearn
Managing Director
214-979-5686

WIRING/ACH INSTRUCTIONS TO WELLS FARGO BANK

CB Richard Ellis
As of October 2008

I. Bank information to be provided to bank wiring money (or requesting ACH transfer):

| | |
|------------------------|---|
| Bank Name: | Wells Fargo |
| Address: | 420 Montgomery Street San Francisco, CA 94101 |
| ABA Number: | 121 - 000 - 248 |
| Contact at Bank: | Michelle Polcari |
| Telephone: | (310)606-4792 |
| Name on Account: | CB Richard Ellis, Inc. Appraisal and Valuation |
| General Account No: | 4121-248561 |
| Reference Information: | Invoice number & Property Name if Retainer, please list property name and Retainer |

Lehman Commercial Paper, Inc.

Time and Expense Log Summary - Danske Bank Assignment

| <u>Fees</u> | <u>Hourly Rate</u> | <u>Hours</u> | <u>Total Fees (Time)</u> | <u>Expenses</u> | <u>Total</u> |
|-----------------------|--------------------|--------------|--------------------------|-------------------|--------------------|
| KDR - Kyle Redfearn | \$450 | 52.6 | \$23,670 | \$ 2,667.58 | \$26,337.58 |
| ERE - Edward Eschmann | \$450 | 30.2 | \$13,590 | | \$13,590.00 |
| PHT - Paul Tibbit | \$350 | 34.6 | \$12,110 | \$ 2,624.61 | \$14,734.61 |
| PKC - Pedro Chin | \$350 | 3.7 | \$1,295 | | \$1,295.00 |
| Total | | | \$50,665 | \$5,292.19 | \$55,957.19 |

Lehman Commercial Paper, Inc.
Time Log - Danske Bank Assignment

| <u>Date</u> | <u>Appraiser</u> | <u>Level</u> | <u>Hours</u> | <u>Hourly Rate</u> | <u>Fee</u> | <u>Description of meeting</u> |
|--------------------|------------------|-------------------|--------------|------------------------|--------------------|---|
| September 12, 2011 | KDR | Managing Director | 0.5 | 450 | \$ 225 | Call with Jonathan Cohen, Eli Rabin and Jeff Fitts to discuss strategy related to upcoming meeting with Danske Bank representatives. |
| September 20, 2011 | KDR | Managing Director | 1.4 | 450 | \$ 630 | Strategy and preparation call with ERE (Ed Eschmann) and PHT (Paul Tibbit) to discuss Knickerbocker property and loan analysis. To prepare for call with Danske to discuss results. |
| September 21, 2011 | KDR | Managing Director | 2.7 | 450 | \$ 1,215 | Preparation for call with Danske Bank representatives. Review of real estate and loan valuation including methodology, specific valuation assumptions, review of comparable data, and consideration of conclusions. |
| September 22, 2011 | KDR | Managing Director | 1.0 | 450 | \$ 450 | Call with Lehman, Alvarez and Marsal, Danske Bank and JLL representatives (Jonathan Cohen, Eli Rabin, Jeff Fitts, Peter Hughes, Daniel David, and JLL broker) to discuss valuation results and methodology leading to value conclusions. ERE and PHT were also on the call. |
| October 11, 2011 | KDR | Managing Director | 0.5 | 450 | \$ 225 | Discussion with Jonathan Cohen with Lehman to discuss process related to mediation meeting on October 18. |
| October 11, 2011 | KDR | Managing Director | 0.6 | 450 | \$ 270 | Discussion with Eli Rabin and PHT to discuss strategy and analysis of Trois loan valuation analysis. |
| October 12, 2011 | KDR | Managing Director | 4.3 | 450 | \$ 1,935 | Preparation and review of Project Trois loan valuation. |
| October 12, 2011 | KDR | Managing Director | 1.1 | 450 | \$ 495 | Meeting with PHT regarding analysis of Project Trois valuation. |
| October 14, 2011 | KDR | Managing Director | 0.6 | 450 | \$ 270 | Meeting with PKC (Pedro Chin) to discuss assumptions and analysis in Santa Monica report for preparation of non-binding mediation in New York. |
| October 15, 2011 | KDR | Managing Director | 3.7 | 450 | \$ 1,665 | Santa Monica property - Begin review, arguments, and preparation for mediation. |
| October 15, 2011 | KDR | Managing Director | 3.9 | 450 | \$ 1,755 | Review and analyze JLL Santa Monica report to prepare for mediation. |
| October 16, 2011 | KDR | Managing Director | 3.6 | 450 | \$ 1,620 | Review and analysis of JLL Knickerbocker report in preparation for mediation. |
| October 16, 2011 | KDR | Managing Director | 3.7 | 450 | \$ 1,665 | Review and analysis of JLL Project Trois report in preparation for mediation. |
| October 16, 2011 | KDR | Managing Director | 4.2 | 450 | \$ 1,890 | Preparation and analysis of materials for mediation. JLL Knickerbocker re-valuation spreadsheet, Project Trois key valuation assumptions spreadsheet. |
| October 17, 2011 | KDR | Managing Director | 3.8 | 450 | \$ 1,710 | Travel from Dallas to New York for mediation session. |
| October 17, 2011 | KDR | Managing Director | 3.8 | 450 | \$ 1,710 | Meeting with PHT, Jonathan Cohen, Eli Rabin of Lehman and partial time was conference call with Nellie Camerick and Michael Bond of Weil Gotshal regarding opening remarks for mediation session. |
| October 17, 2011 | KDR | Managing Director | 0.8 | 450 | \$ 360 | Meeting with ERE and PHT to discuss retail component valuation for Knickerbocker Hotel loan valuation. |
| October 18, 2011 | KDR | Managing Director | 3.2 | 450 | \$ 1,440 | Morning session of mediation including opening remarks. PHT and ERE were also there. |
| October 18, 2011 | KDR | Managing Director | 5.2 | 450 | \$ 2,340 | Afternoon/evening session of mediation including various strategic meetings as well as negotiations with Mediator and opposing party. PHT and ERE were also there. |
| October 18, 2011 | KDR | Managing Director | 4.0 | 450 | \$ 1,800 | Travel back from Dallas to New York for mediation session. |
| TOTALS | | | 52.6 | | \$23,670.00 | |

Lehman Commercial Paper, Inc.
Time Log - Danske Bank Assignment

| <u>Date</u> | <u>Appraiser</u> | <u>Level</u> | <u>Hours</u> | <u>Hourly Rate</u> | <u>Fee</u> | <u>Description of meeting</u> |
|--------------------|------------------|--------------|--------------|------------------------|--------------------|--|
| September 20, 2011 | ERE | Director | 1.4 | 450 | \$ 630 | Strategy and preparation call with ERE (Ed Eschmann) and PHT (Paul Tibbit) to discuss Knickerboker property and loan analysis. To prepare for call with Danske to discuss results. |
| September 22, 2011 | ERE | Director | 1.0 | 450 | \$ 450 | Call with Lehman, Alvarez and Marsal, Danske Bank and JLL representatives (Jonathan Cohen, Eli Rabin, Jeff Fitts, Peter Hughes, Daniel David, and JLL broker) to discuss valuation results and methodology leading to value conclusions. ERE and PHT were also on the call. |
| September 23, 2011 | ERE | Director | 1.8 | 450 | \$ 810 | Revisit CBRE Knickerbocker report after discussion with JLL. Modified market condition adjustment analysis to downside, Value remains same. Discuss possibility of retail segregation to monetize the asset with colleagues. |
| October 6, 2011 | ERE | Director | 3.2 | 450 | \$ 1,440 | Preparation of retail analysis of Knickerbocker retail condominium analysis into the Knickerbocker appraisal report. Research the sales and rents to analyze for analysis. |
| October 7, 2011 | ERE | Director | 0.1 | 450 | \$ 45 | Discussion with KDR on retail analysis insertion. Advised to wait and not include in appraisal report. Report to be filed as is immediately. |
| October 16, 2011 | ERE | Director | 4.0 | 450 | \$ 1,800 | Review and analyze of JLL Knickerbocker report in preparation for mediation. Review cash flow and Knickerbocker rent assumptions, rate assumptions and checking JLL result accuracy |
| October 17, 2011 | ERE | Director | 3.0 | 450 | \$ 1,350 | Prep for and review CBRE Knickerbocker appraisal and JLL BOV in preparation for hearing |
| October 17, 2011 | ERE | Director | 6.5 | 450 | \$ 2,925 | Preparation / completion of retail condominium analysis of Knickerbocker Hotel |
| October 17, 2011 | ERE | Director | 0.8 | 450 | \$ 360 | Meeting with KDR and PHT to discuss retail component valuation for Knickerbocker Hotel loan valuation. |
| October 18, 2011 | ERE | Director | 3.2 | 450 | \$ 1,440 | Morning session of mediation including opening remarks. |
| October 18, 2011 | ERE | Director | 5.2 | 450 | \$ 2,340 | Afternoon session of mediation including various strategic meetings as well as negotiations with Mediator and opposing party. Knickerbocker Retail analysis brought up to Judge Crane illustrating the retail component valuation is more than the JLL analysis of total building value. |
| TOTALS | | | 30.2 | | \$13,590.00 | |

Lehman Commercial Paper, Inc.
Time Log - Danske Bank Assignment

| <u>Date</u> | <u>Appraiser</u> | <u>Level</u> | <u>Hours</u> | <u>Hourly Rate</u> | <u>Fee</u> | <u>Description of meeting</u> |
|--------------------|------------------|------------------|--------------|------------------------|---------------------|---|
| September 20, 2011 | PHT | Senior Appraiser | 1.4 | 350 | \$ 490 | Strategy and preparation call with ERE (Ed Eschmann) and KDR (Kyle Redfearn) to discuss Knickerbocker property and loan analysis. To prepare for call with Danske to discuss results. |
| September 21, 2011 | PHT | Senior Appraiser | 2.4 | 350 | \$ 840 | Preparation for call with Danske Bank representatives. Review of real estate and loan valuation including methodology, specific valuation assumptions, review of comparable data, and consideration of conclusions. |
| September 22, 2011 | PHT | Senior Appraiser | 1.0 | 350 | \$ 350 | Call with Lehman, Alvarez and Marsal, Danske Bank and JLL representatives (Jonathan Cohen, Eli Rabin, Jeff Fitts, Peter Hughes, Daniel David, and JLL broker) to discuss valuation results and methodology leading to value conclusions. ERE and KDR were also on the call. |
| October 11, 2011 | PHT | Senior Appraiser | 0.6 | 350 | \$ 210 | Discussion with Eli Rabin and KDR to discuss strategy and analysis of Trois loan valuation analysis. |
| October 12, 2011 | PHT | Senior Appraiser | 1.1 | 350 | \$ 385 | Meeting with KDR regarding analysis of Project Trois valuation. |
| October 16, 2011 | PHT | Senior Appraiser | 3.6 | 350 | \$ 1,260 | Review and analysis of JLL Knickerbocker report in preparation for mediation. |
| October 16, 2011 | PHT | Senior Appraiser | 3.7 | 350 | \$ 1,295 | Review and analysis of JLL Project Trois report in preparation for mediation. |
| October 17, 2011 | PHT | Senior Appraiser | 3.8 | 350 | \$ 1,330 | Travel from Dallas to New York for mediation session. |
| October 17, 2011 | PHT | Senior Appraiser | 3.8 | 350 | \$ 1,330 | Meeting with KDR, Jonathan Cohen, Eli Rabin of Lehman and partial time was conference call with Nellie Camerick and Michael Bond of Weil Gotshal regarding opening remarks for mediation session. |
| October 17, 2011 | PHT | Senior Appraiser | 0.8 | 350 | \$ 280 | Meeting with ERE and KDR to discuss retail component valuation for Knickerbocker Hotel loan valuation. |
| October 18, 2011 | PHT | Senior Appraiser | 3.2 | 350 | \$ 1,120 | Morning session of mediation including opening remarks. KDR and ERE were also there. |
| October 18, 2011 | PHT | Senior Appraiser | 5.2 | 350 | \$ 1,820 | Afternoon/evening session of mediation including various strategic meetings as well as negotiations with Mediator and opposing party. KDR and ERE were also there. |
| October 18, 2011 | PHT | Senior Appraiser | 4.0 | 350 | \$ 1,400 | Travel back from Dallas to New York for mediation session. |
| TOTALS | | | 34.6 | | \$ 12,110.00 | |

Lehman Commercial Paper, Inc.

Time Log - Danske Bank Assignment

| <u>Date</u> | <u>Appraiser</u> | <u>Level</u> | <u>Hours</u> | Hourly <u>Rate</u> | <u>Fee</u> | <u>Description of meeting</u> |
|------------------|------------------|------------------|--------------|-----------------------|-------------------|---|
| October 14, 2011 | PKC | Senior Appraiser | 0.6 | 350 | \$ 210 | Meeting with KDR to discuss assumptions and analysis in Santa Monica report for preparation of non-binding mediation in New York. |
| October 15, 2011 | PKC | Senior Appraiser | 0.3 | 350 | \$ 105 | Review JLL Santa Monica report |
| October 17, 2011 | PKC | Senior Appraiser | 2.3 | 350 | \$ 805 | Prepare responses to KDR's review of the JLL report |
| October 18, 2011 | PKC | Senior Appraiser | 0.5 | 350 | \$ 175 | Complete and sent via e-mail responses to KDR review of JLL report |
| | TOTALS | | 3.7 | | \$1,295.00 | |

Lehman Commercial Paper, Inc.

Mediation-Related Expense Detail - Danske Bank Assignment

| <u>Date</u> | <u>Appraiser</u> | <u>Purpose (NY Mediation Trip)</u> | <u>Amount</u> |
|-----------------------|------------------|------------------------------------|--------------------|
| Trip to NY Oct. 17/18 | KDR | Taxi/Transportation/Parking | \$ 127.00 |
| Trip to NY Oct. 17/18 | KDR | Airfare from DFW to New York | \$ 1,952.96 |
| Trip to NY Oct. 17/18 | KDR | Hotel | \$ 381.03 |
| Trip to NY Oct. 17/18 | KDR | Food | \$ 206.59 |
| | | | <hr/> |
| | | | \$ 2,667.58 |
| | | | |
| Trip to NY Oct. 17/18 | PHT | Taxis | \$ 85.18 |
| Trip to NY Oct. 17/18 | PHT | Airfare from DFW to New York | \$ 2,114.40 |
| Trip to NY Oct. 17/18 | PHT | Hotel | \$ 381.03 |
| Trip to NY Oct. 17/18 | PHT | Food | \$ 44.00 |
| | | | <hr/> |
| | | | \$ 2,624.61 |
| | | | |
| | | Grand Total | \$ 5,292.19 |